



Billing Code: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-533-807]

Sulfanilic Acid from India: Final Results of Expedited Sunset Review of the Countervailing Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the Department) finds that revocation of the countervailing duty (CVD) order on sulfanilic acid from India would likely lead to the continuation or recurrence of a countervailable subsidy at the levels indicated in the Final Results of Review section of this notice.

DATES: Effective [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: John Conniff, Office III, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1009.

SUPPLEMENTARY INFORMATION

Background

On September 1, 2016, the Department initiated this fourth sunset review of the CVD order on sulfanilic acid from India pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).¹ The Department received a notice of intent to participate from Nation Ford Chemical Company (NFC) (domestic interested party), within the deadline specified in 19 CFR

¹ See *Initiation of Five-Year (Sunset) Review*, 81 FR 60343 (September 1, 2016).

351.218(d)(1)(i). The domestic interested party claimed interested party status under section 771(9)(C) of the Act as a domestic producer of sulfanilic acid in the United States.

The Department received an adequate substantive response from the domestic interested party within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i). The Department also received a response from a domestic importer of sulfanilic acid, which we rejected as inadequate under 19 CFR 351.218(d)(3)(ii).² As a result, pursuant to section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department conducted an expedited review of the CVD order.

Scope of the Order

The merchandise covered by the CVD order are all grades of sulfanilic acid, which include technical (or crude) sulfanilic acid, refined (or purified) sulfanilic acid and sodium salt of sulfanilic acid (sodium sulfanilate).

Sulfanilic acid is a synthetic organic chemical produced from the direct sulfonation of aniline with sulfuric acid. Sulfanilic acid is used as a raw material in the production of optical brighteners, food colors, specialty dyes, and concrete additives. The principal differences between the grades are the undesirable quantities of residual aniline and alkali insoluble materials present in the sulfanilic acid. All grades are available as dry free flowing powders.

Technical sulfanilic acid contains 96 percent minimum sulfanilic acid, 1.0 percent maximum aniline, and 1.0 percent maximum alkali insoluble materials. Refined sulfanilic acid contains 98 percent minimum sulfanilic acid, 0.5 percent maximum aniline, and 0.25 percent maximum alkali insoluble materials. Sodium salt of sulfanilic acid (sodium sulfanilate) is a granular or crystalline material containing 75 percent minimum sulfanilic acid, 0.5 percent

² See Memorandum from Christian Marsh, Deputy Assistant Secretary for Enforcement and Compliance, to Paul Piquado, Assistant Secretary for Enforcement and Compliance regarding, "Issues and Decision Memorandum for the Final Results of Expedited Sunset Review of the Countervailing Duty Order on Sulfanilic Acid from India," dated concurrently with this notice (Sulfanilic Acid from India IDM) for more information on the reasons for the Department's rejection.

maximum aniline, and 0.25 percent maximum alkali insoluble materials based on the equivalent sulfanilic acid content.

In response to a request from 3V Corporation, on May 5, 1999, the Department determined that sodium sulfanilate processed in Italy from sulfanilic acid produced in India is within the scope of the order. *See Notice of Scope Rulings and Anticircumvention Inquiries*, 65 FR 41957 (July 7, 2000).

The merchandise is currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 2921.42.22 and 2921.42.90. Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of the order is dispositive.

Analysis of Comments Received

All issues raised in this review are addressed in the Issues and Decision Memorandum, which is dated concurrently with and adopted by this notice.³ The issues discussed in the Issues and Decision Memorandum include the likelihood of continuation or recurrence of a countervailable subsidy and the net countervailable subsidy likely to prevail if the order were revoked. Parties can find a complete discussion of all issues raised in this expedited sunset review and the corresponding recommendations in this public memorandum, which is on file electronically *via* the Enforcement and Compliance Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov> and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at

³ *See* Sulfanilic Acid from India IDM.

<http://enforcement.trade.gov/frn/index.html>. The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

Final Results of Review

Pursuant to sections 752(b)(1) and (3) of the Act, we determine that revocation of the *Order* on sulfanilic acid from India would be likely to lead to continuation or recurrence of a net countervailable subsidy at the rate listed below:⁴

Manufacturers/Producers/Exporters	Net Countervailable Subsidy Rate (Percent)
All-Others	43.71

Notification Regarding Administrative Protective Order

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

⁴ *Id.*

The Department is issuing and publishing these final results and this notice in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act and 19 CFR 351.218(e)(1)(ii)(c)(2).

Dated: December 29, 2016

Paul Piquado
Assistant Secretary
for Enforcement and Compliance

Appendix
List of Topics Discussed in the Issues and Decision Memorandum

List of Topics Discussed in the Issues and Decision Memorandum

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[FR Doc. 2017-00035 Filed: 1/5/2017 8:45 am; Publication Date: 1/6/2017]